



BOARD OF DIRECTORS

METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY

PLANNING AND CAPITAL PROGRAMS COMMITTEE

THURSDAY, JULY 24, 2025

ATLANTA, GEORGIA

MEETING SUMMARY

1. CALL TO ORDER AND ROLL CALL

Committee Chair Jacob Tzegaegbe called the meeting to order at 10:04 A.M.

Board Members

Present:

Freda Hardage
James Durrett
Kathryn Powers
Roderick Frierson
Russell McMurry¹
Thomas Worthy
Valencia Williamson
Jennifer Ide
Jacob Tzegaegbe
Sagirah Jones
Elizabeth Bolton-Harris

Board Members

Absent:

Al Pond
Rita Scott
Jannine Miller
Shayna Pollock

Staff Members Present:

Rhonda Allen
Carrie Rocha
Steven Parker
Kevin Hurley
Paul Lopes
George Wright
Ralph McKinney
Jonathan Hunt
Michael Kreher

¹ Russell McMurry is the Commissioner of the Georgia Department of Transportation (GDOT). Per the MARTA Act, he is a non-voting member of the Board of Directors.

Also in Attendance: Justice Leah Ward Sears, Phyllis Bryant, Stephany Fisher, Kenya Hammond, Paula Nash and Lori Sands (HNTB)

2. APPROVAL OF THE MINUTES

Minutes from June 26, 2025, Planning and Capital Programs Committee meeting.

Approval of the Minutes from June 26, 2025, Planning and Capital Programs Committee meeting. On a motion by Board Member Powers, seconded by Board Member Frierson, the motion by a vote of 7 to 0, with 1 member abstaining and 8 members present.

3. BRIEFING

Alternative Funding Committee

Chief Financial Officer Kevin Hurley and Lori Sands, HNTB presented the comprehensive findings of the Board Ad Hoc Subcommittee on Alternative Funding and Financing – The Study outlines viable funding and financing strategies to support future transit expansions and initiatives while recommending further legal review, educational and engagement strategies, and policy considerations

4. OTHER MATTERS

None

5. ADJOURNMENT

The Committee Meeting adjourned at 10:36 A.M.

YouTube link: https://www.youtube.com/live/KlrD5PQHULs?si=Q_q_jVSH7pradxy8



Alternative Funding

MARTA Planning and Capital
Program Committee

July 24, 2025

Agenda



















































- **Study Overview**
- **Peer Systems/Case Studies**
- **Implementation Considerations**
- **Special Service District (SSD) Model**
- **Financial Model Results**
- **Recommendations**
- **Next Steps**




Peer Systems Review & Case Studies

	Funding Sources				Financing Mechanisms		
	State Allocations	Motor Fuel Taxes	Sales Tax	Special Service Districts (SSDs) & Tax Allocation Districts (TADs)	GARVEE Bonds (Direct and Indirect)	TIFIA	P3s (Various)
MARTA							
MARTA (Atlanta, GA)	X		X				
MARTA Peer Systems							
Metro (Cincinnati, OH)	X		X				
COTA (Columbus, OH)	X		X				
DART (Dallas, TX)			X		X		X
CAPMetro (Austin, TX)			X				X
TriMet (Portland, OR)	X			X			
Case Study - Metro Atlanta Peer Region							
SANDAG (Southern California MPO)	X		X	X			
Case Studies - Projects Using Innovative Funding and Financing							
Brookhaven SSD (Brookhaven, GA)				X			
Atlanta BeltLine TAD & SSD (Atlanta, Georgia)	X			X			
RTD Eagle P3 (Denver, CO)	X		X		X	X	X
CTA Red Line Extension (RLE) (Chicago, IL)		X	X	X			
Midcoast Trolley Extension (San Diego, CA)	X		X			X	
Maryland Transit Administration's Purple Line	X				X	X	X
Sound Transit's East Link Extension (Seattle-Tacoma, WA)	X		X	X		X	

Implementation Considerations

Key Metrics/Screening for Applicability in Georgia

	Funding					Financing		
	State Allocation	Motor Fuel Taxes	Sales Tax	Special Service District (SSD)	Tax Allocation District (TAD)	GARVEE Bonds (Direct & Indirect)	TIFIA	Public Private Partnerships (Various)
Equity & Cost Burden								
Yield								
Legality								
Political Acceptance								
Administrative, Collection & Compliance Costs								
Revenue Reliability & Timing								
Ease of Implementation								
Can MARTA implement?	No	No	Yes	No	No	No	Yes	Yes

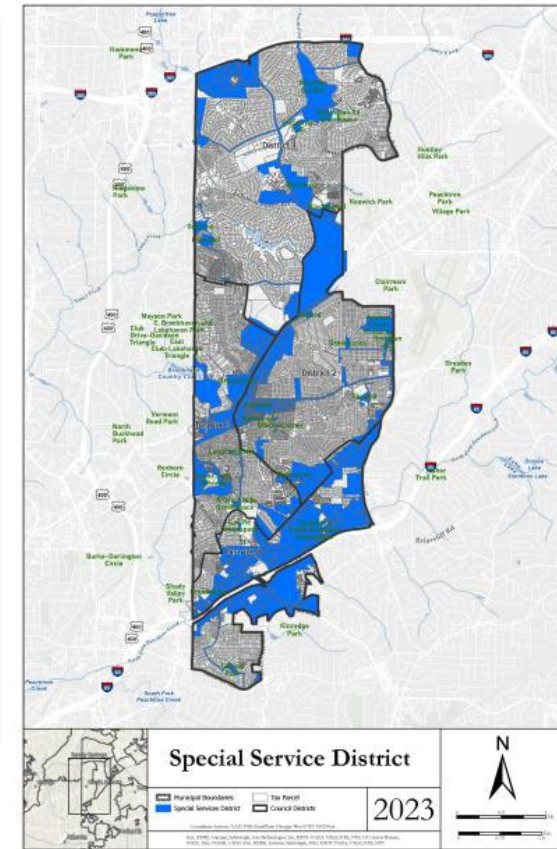
 Implementable
 Advance With Caution
 Challenging to Advance

Special Service District (SSD)

Tax Allocation Districts/SSD – Local Example



Atlanta Beltline TAD/SSD



Brookhaven SSD

SSD Model Assumptions

- Project costs – capital and O&M
- Buffer distances around corridors and/or station areas: 1.5 miles
- Property classification: all properties EXCEPT those with homestead exemptions
- Millage rate: 5



Special Service District (SSD) SSD Results

Scenario #1

- Population: 117,198
- Median Income: \$102,165
- Average Age: 37 years
- Ethnicity: White, African American, Asian

"Scenario 1"	
1.5 Mile Buffer	All Properties (Excl. Exemptions)
# of parcels	12,734
Total Assessed	\$5,867,615,493.00
5 Mills at Yr. 1	\$29,338,077.47

Scenario #2

- Population: 81,272
- Median Income: \$55,084
- Average Age: 37 years
- Ethnicity: African American, White, Hispanic/Latino

"Scenario 2"	
1.5 Mile Buffer	All Properties (Excl. Exemptions)
# of parcels	12,033
Total Assessed	\$ 1,599,076,720.00
5 Mills at Yr. 1	\$7,995,383.60



Financial Model

Assumptions

Debt Instrument

- Authority Bonds

Revenue Pledge

- SSD Revenue

Term & Structure

- 30-year term
- Level debt service

Interest Rate

As of 5/30/2025

- MMD plus 38 bps
 $4.92\% + 0.38\% = 5.30\%$

Coverage & Reserves

- Max 45% of annual tax receipts (DSCR)
- 10% of prior-year revenue (reserves)

Cost of Issuance

- 0.5% of par amount

Source: MARTA's Finance Office

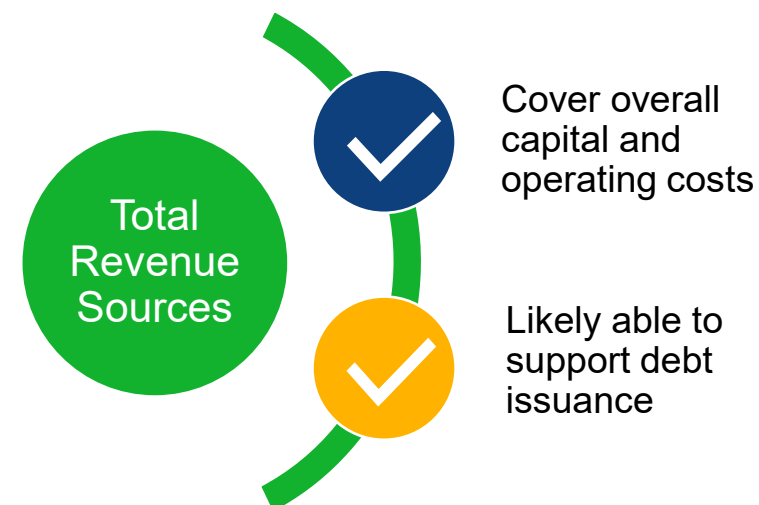
Disclaimer: This analysis is prepared for illustrative purposes only. The analysis presented in these slides rely on the financing assumptions provided solely by MARTA. Project inputs and revenue projections are based only on historical information, and actual future revenue and expenditures may differ materially. These analyses is not intended, nor should they be construed to constitute a guarantee, promise or representation of any particular outcome or result. Further analyses should be prepared by MARTA's Finance Office and/or municipal financial advisor as project inputs and assumptions are refined.

Financial Model - Results

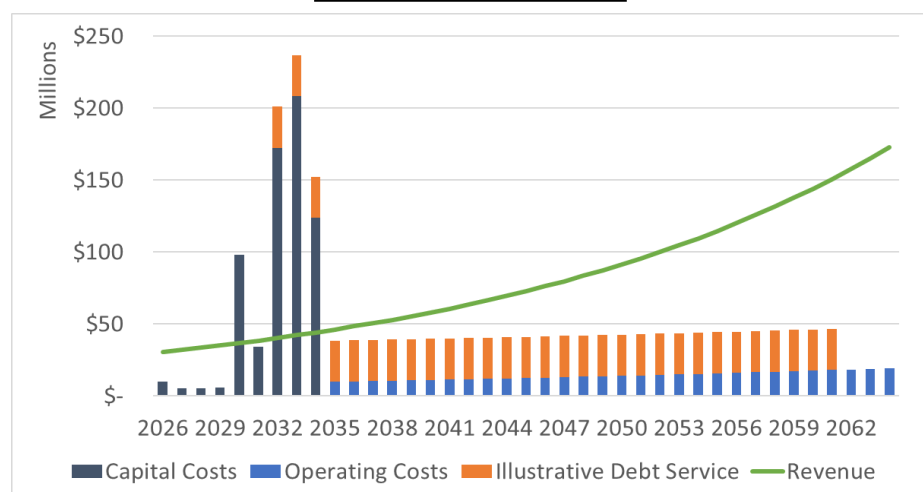
Scenario 1: Base Case

Projected sources and uses for the 39-year project forecast period 2026-2064.

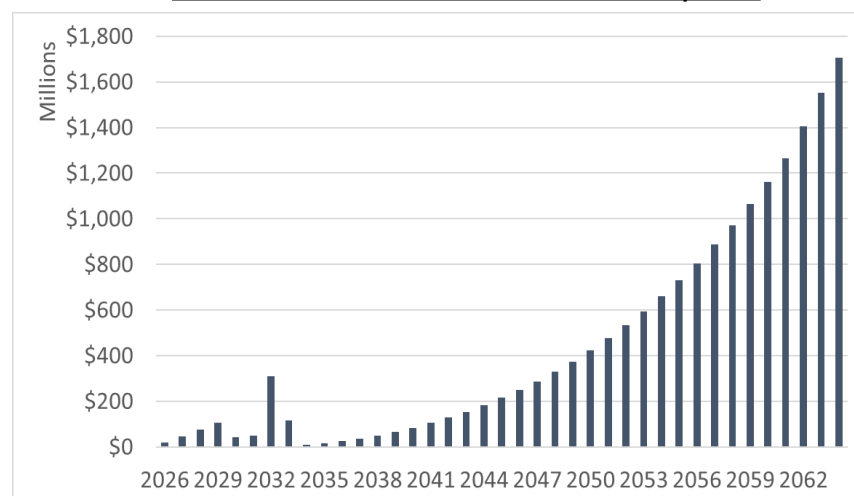
(\$YOE, in millions)	Sources	Uses	
	Assumed Revenue Begins: 2026	Capital Costs Begin: 2026	Operating Costs Begin: 2035
39-year Totals	\$ 3,228.4	\$ (663.4)	\$ (424.1)
Total Sources/Uses	\$ 3,228.4	\$ (1,087.5)	



Annual Cash Flow:



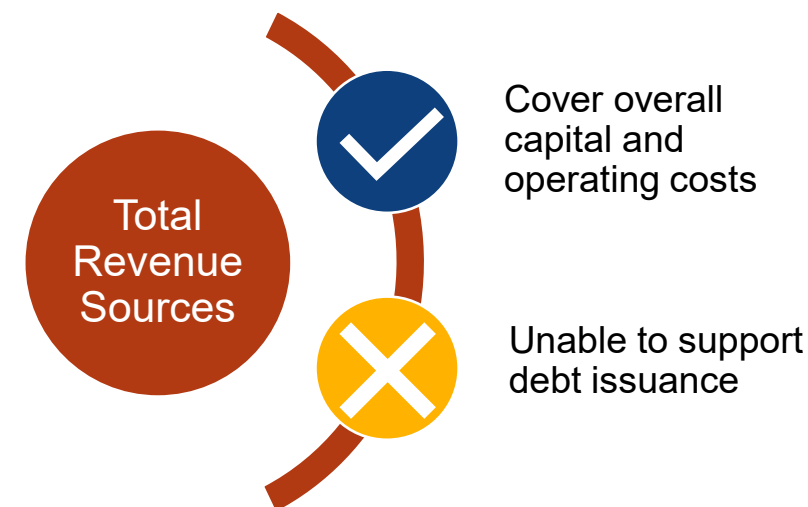
Cumulative Net Cash Flow Surplus:



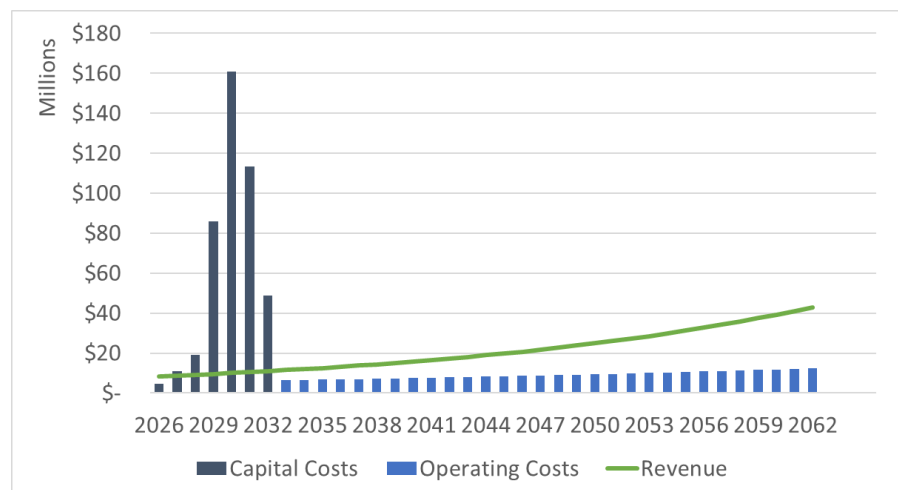
Financial Model - Results

Scenario 2: Base Case

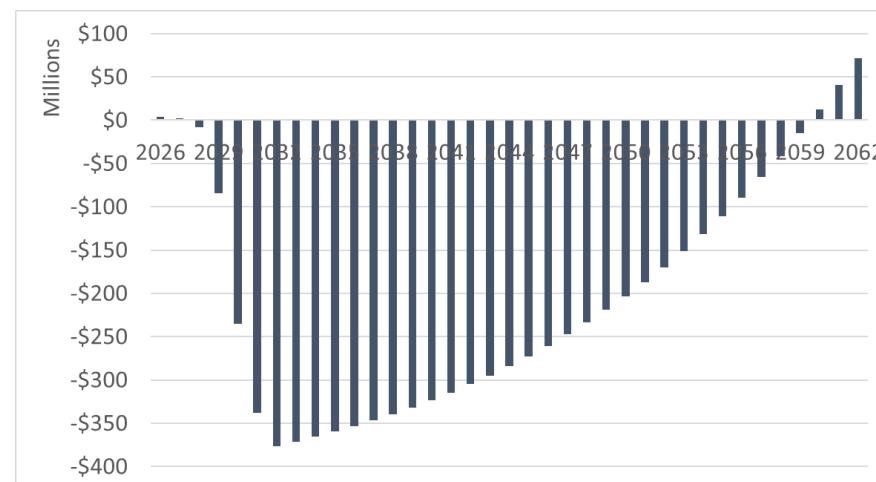
Projected sources and uses for the 37-year project assessment period 2026-2062.			
(\$YOE, in millions)	Sources	Uses	
	Assumed Revenue Begins: 2026	Capital Costs Begin: 2026	Operating Costs Begin: 2033
37-year Totals	\$ 787.7	\$ (443.7)	\$ (272.3)
Total Sources/Uses	\$ 787.7	\$ (716.0)	



Annual Cash Flow:



Cumulative Net Cash Flow Surplus:

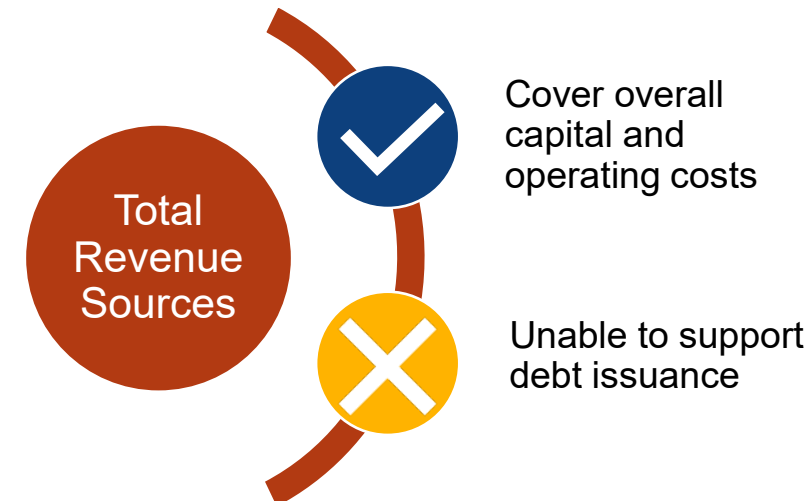


Financial Model - Results

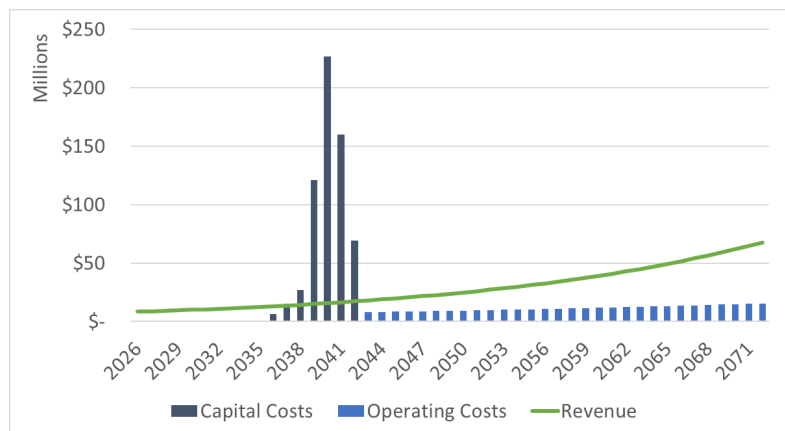
Scenario 2: 10-year Construction Delay

Projected sources and uses for the 47-year project assessment period 2026-2072.

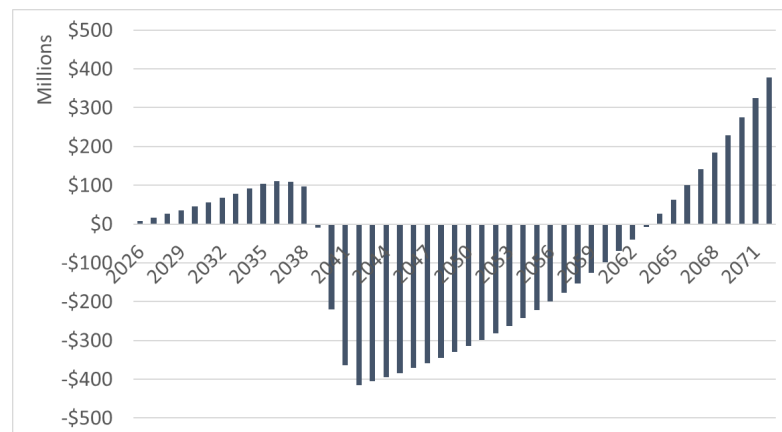
(\$YOE, in millions)	Sources			Uses	
	Assumed Revenue Begins: 2026		Federal Funding	Capital Costs Begin: 2036	Operating Costs Begin: 2043
47-year Totals	\$ 1,344.8	7-year Total (2036-2042)	~ \$300M	\$ (625.9)	\$ (341.8)
Total Sources/Uses	\$ 1,344.8	After 2036	\$300 M	\$ (967.7)	



Annual Cash Flow:



Cumulative Net Cash Flow Deficit/Surplus:



Recommendations



Legal Review

Consult Legal Counsel

- Acquire legal counsel to review and understand legal basis and justification needed for the creation of an SSD:
Georgia Code § 36-31-12 - *Legislative findings; special districts divided into noncontiguous areas; information required in audits; informational summary*
GA Code § 36-61-1 – *Urban Redevelopment Law*
Other related laws



Education/Engagement Strategies

Internal and External Stakeholder Engagement

Clarify Roles & Expectations

- Define responsibilities in SSD process

Promote Equity Across Jurisdictions

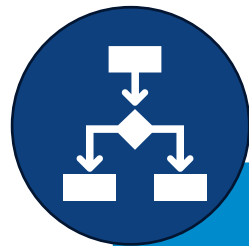
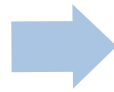
- Ensure all localities understand SSDs equally

Recommendations



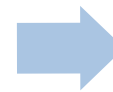
Establish Policy

- Create process for data driven decisions
- Clarify legal and procedural steps
- Supports pilot projects for funding mechanism
- Align with MARTA's long term goals



Develop Evaluation Framework

- Establish evaluation criteria
- Ensure fair, regional comparison
- Use equity metrics to fill gaps
- Layer other strategies



Project Assessment and Selections

Maximize Public Value

- Align projects with policy and funding goals
- Revive stalled, ready-to-go projects
- Ensure property owners benefit from their transit investment

Balance Financial Strategy

- Ensure SSD use is financially feasible
- Consider potential additional funding sources as needed



Questions?